**MINISTRY FOR HUMAN SETTLEMENTS**

**REPUBLIC OF SOUTH AFRICA**

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**QUESTION NO.: 1871**

**DATE OF PUBLICATION: 9 SEPTEMBER 2016**

**Ms T Gqada (DA) to ask the Minister of Human Settlements:**

Whether any funds have been put aside by (a) her department and/or (b) the Government to subsidise the selling of state-subsidised houses by recipients who wish to sell their respective properties within the period of 8 years; if not, why not; if so, what are the relevant details? **NW2181E**

**REPLY:**

The Housing Act, 1997, prohibits the sale of government subsidised houses within eight years and budgeting for such expenditure would therefore be illegal in terms of both the Housing Act and the Public Finance Management Act (PFMA). Therefore, the answer to the Honourable member’s question is a resounding **no**.

# Specifically, Section 10A of the Housing Act, 1997 (Act No. 107 of 1997) on Restriction on voluntary sale of state-subsidised housing states that, *“Notwithstanding any provisions to the contrary in any other law, it shall be a condition of every housing subsidy, as defined in the Code, granted to a natural person in terms of any national housing programme for the construction or purchase of a dwelling or serviced site, that such person shall not sell or otherwise alienate his or her dwelling or site within a period of eight years from the date on which the property was acquired by that person unless the dwelling or site has first been offered to the relevant provincial housing department”.*

The provision of houses is intended to provide beneficiaries with self-respect, dignity and it is viewed as a life opportunity for the less privileged South Africans to own an asset in the form of a house, hence the selling of state subsidised houses is not encouraged at all unless their economic situation has improved for the better.

In addition, the Department is engaged in consumer education programme to further inform and educate the consumers on the policy and legislative provisions applicable to the housing subsidy programme.